



JOHN MARISCOTTI
EXECUTIVE VICE PRESIDENT

NATIONAL RAILWAY UTILIZATION CORP.

860 Suburban Station / 1617 John F. Kennedy Blvd., Phila., Pa. 19103 / (215) 569-2220

January 6, 1976

RECORDATION NO. 8656 Filed & Recorded

Interstate Commerce Commission JAN 11 1977 10 45 AM
12th & Constitution Avenues NW
Washington, D. C. 20423 INTERSTATE COMMERCE COMMISSION

Attention: Ms. Lee, Room 1227

Dear Ms. Lee:

I transmit for filing the following documents:

Lease Agreement dated August 17, 1976 between National Railway Utilization Corporation, as Lessor, and Ogdensburg Bridge and Port Authority Railroad, as Lessee, and Agreement and Assignment dated November 8, 1976, between National Railway Utilization Corporation and Pickens Railroad Company, assigning the above Lease Agreement, covering 200 70-ton box cars bearing numbers NSL 100,000 through NSL 100,099; NSL 100,500 through NSL 100,514; NSL 100,100 through NSL 100,132; NSL 100,300 through NSL 100,351.

The address for National Railway Utilization Corporation is 860 Suburban Station, 1617 John F. Kennedy Boulevard, Philadelphia, Pa. 19103. The address for Ogdensburg Bridge and Port Authority is Bridge Plaza, Ogdensburg, New York 13669. The address for Pickens Railroad Company is P. O. Box 216, Pickens, South Carolina 29671.

Enclosed herewith is the original and two certified copies together with check in the amount of \$50.00 in payment of the filing fee.

Please return the original of each to William W. Kehl, Esquire, P. O. Box 10207, Greenville, S. C. 29603, with the recording certification data stamped thereon.

Very truly yours,

John A. Mariscotti
John A. Mariscotti
Executive Vice President

JAM:ebw
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

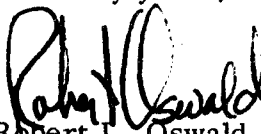
1/17/77

William W. Kehl, Esq.
P.O.Box 10207
Greenville, S.C. 29603

Dear Sir:

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on 1/11/77 at 10:45am ,
and assigned recordation number(s) 8656

Sincerely yours,


Robert L. Oswald
Secretary

Enclosure(s)

SE-30
(5/76)

NATIONAL RAILWAY
OPERATION CORP.
OCT 29 1976
PHILA., PA. 19103

8656
RECORDATION NO. Filed & Recorded

JAN 11 1977 - 10 45 AM
INTERSTATE COMMERCE COMMISSION
~~INTERSTATE COMMERCE COMMISSION~~

PER DIEM LEASE
FULL REVENUES TO LESSOR

THIS LEASE AGREEMENT, made as of this 17th day of August
 , 19 76, between NATIONAL RAILWAY UTILIZATION
CORPORATION, a South Carolina corporation (NRUC), as Lessor, and
OGDENSBURG BRIDGE AND PORT AUTHORITY RAILROAD corporation
(the "Lessee"), as Lessee.

1. Scope of Agreement

A. NRUC agrees to lease to Lessee, and Lessee agrees to lease from NRUC, a minimum of twenty-five (25) boxcars of the types and descriptions as set forth in any lease schedules executed by the parties concurrently herewith or from time to time hereafter and made a part of this Agreement. The scheduled items of equipment are hereinafter called collectively the "Boxcars". The word "Schedule" as used herein includes the Schedule executed concurrently herewith and all additional Schedules and amendments thereto whether for Boxcars or other railroad equipment, each of which when signed by both parties shall be a part of this Agreement.

B. It is the intent of the parties of this Agreement that NRUC shall at all times be and remain the Lessor of all scheduled Boxcars. Lessee agrees that it will at no time take any action or file any document which is inconsistent with the foregoing intent and that it will take such action and execute such documents as may be necessary to accomplish this intent.

2. Term

A. This Agreement shall remain in full force until it shall have been terminated as to all of the Boxcars. The term of a lease with respect to each Boxcar shall commence upon the date of delivery of such Boxcar as set forth in Section 3A hereof and shall continue with respect to such Boxcar for the term provided in the Schedule covering such car unless sooner terminated as hereinafter provided.

B. If this Agreement has not been earlier terminated and no default has occurred and is continuing, the lease term with respect to each Boxcar shall be automatically extended for not more than Five (5) consecutive periods of Twelve (12) months; provided, however, that NRUC or Lessee may by written notice delivered to the other not less than Twelve (12) months prior to the end of the

initial lease term or any extended lease term for any scheduled Boxcar terminate this Agreement.

3. Supply Provisions

A. NRUC will inspect each Boxcar tendered by the manufacturer for delivery to Lessee. If the Boxcar conforms to the specifications of the equipment ordered by NRUC, and to all applicable governmental regulatory specifications, and this Agreement has not been terminated, NRUC will accept delivery and shall notify Lessee in writing of such acceptance. The Boxcars shall be deemed delivered to Lessee upon acceptance by NRUC. Due to the nature of railroad operations in the United States, NRUC can neither control nor determine when the Boxcars leased hereunder will actually be available to Lessee for its use on its railroad tracks. Notwithstanding that Lessee may not have immediate physical possession of the Boxcars leased hereunder, Lessee agrees to pay to NRUC the rental charges set forth in this Agreement. To move the Boxcars to Lessee's railroad line and insure optimal use of the Boxcars after the first loading of freight for each Boxcar on the railroad line of Lessee (the "initial loading"), NRUC agrees to assist Lessee in monitoring Boxcar movements and, when deemed necessary by Lessee and NRUC, to issue movement orders with respect to such Boxcars to other railroad lines in accordance with ICC and AAR interchange agreements and rules.

B. Lessee shall give preference to NRUC and shall load the Boxcars leased from NRUC prior to loading Boxcars owned or leased by Lessee during the term of this lease or from other parties or interchanged with railroads; provided, however, that this shall in no event prevent or prohibit Lessee from fulfilling its obligations to provide transportation and facilities upon reasonable requests therefore to shippers on its railroad tracks.

C. Additional Boxcars may be leased from NRUC by Lessee only upon the mutual agreement of the parties hereto. Upon such agreement, such additional Boxcars shall be identified in Schedules to this Agreement and shall benefit from and be subject to this Agreement upon execution of the Schedules by NRUC and Lessee.

4. Railroad Markings and Record Keeping

A. NRUC agrees that on or before delivery of the Boxcars to Lessee, the Boxcars may be lettered with the railroad markings of Lessee, and the name and/or other insignia used by Lessee. Such name or insignia shall comply with all applicable regulations.

B. NRUC shall prepare all documents for filing relating to the registration, maintenance and record keeping functions normally

performed by Lessee with respect to the Boxcars and shall perform all record keeping functions related to the use of the Boxcars by Lessee and other railroads in accordance with AAR railroad interchange agreements. Such matters shall include but are not limited to the preparation of the following documents: (i) appropriate AAR interchange agreements with respect to the Boxcars including an application for relief from AAR Car Service Rules 1 and 2 if applicable; (ii) registration for each Boxcar in the Official Railway Equipment Register and the Universal Machine Language Equipment Register and (iii) such reports as may be required from time to time by the ICC and/or other regulatory agencies with respect to the Boxcars.

C. Lessee shall register each and every Boxcar leased hereunder in the Official Railway Equipment Register and the Universal Machine Language Equipment Register. Correspondence from railroads using such Boxcars shall be addressed to Lessee until such time as NRUC shall perform the record keeping functions, whereupon such correspondence shall be sent to such address as NRUC shall select.

D. All record keeping performed by Lessee hereunder and all record of payments, charges, and correspondence related to Scheduled Boxcars shall be separately recorded and maintained by Lessee in a form suitable for reasonable inspection by NRUC from time to time during regular business hours of Lessee. Lessee shall supply NRUC with such reports regarding the use of Boxcars by Lessee on its railroad line as NRUC may reasonably request.

5. Maintenance, Taxes and Insurance

A. NRUC will pay all costs, expenses, fees and charges incurred in connection with the use and operation of each Boxcar during its lease term and any extension thereof, including but not limited to repairs, maintenance, and servicing unless the same was occasioned by the fault of Lessee while a Boxcar was in the physical possession of Lessee. Lessee shall be responsible to inspect all Boxcars interchanged to it to insure that such Boxcars are in good working order and condition and shall be liable to NRUC for any repairs required for damage not noted at the time of interchange. Lessee hereby transfers and assigns to NRUC for and during the lease term of each Boxcar all of its right, title and interest in any warranty in respect to the Boxcars. All claims or actions on any warranty so assigned shall be made and prosecuted by NRUC at its sole expense and Lessee shall have no obligation to make any claim on such warranty. Any recovery under such warranty shall be made payable to NRUC. All proceeds from such recovery shall be used to repair or replace the Boxcars.

B. Lessee may make minor repairs to facilitate continued immediate use of a Boxcar, but shall not otherwise make any altera-

tions, improvements, or additions to the Boxcars without NRUC's prior written consent. If Lessee makes an alteration to any Boxcar without NRUC's prior written consent, Lessee shall be liable to NRUC for any revenues lost due to such alteration. Title to any such alteration, improvement, or addition occurring in the course of or as a result of normal and customary maintenances shall be and remain with NRUC.

C. NRUC shall make or cause to be made such inspections of, and maintenance and repairs to the Boxcars as may be required. NRUC shall also make, at its expense, all alterations, modifications or replacements of parts, as shall be necessary to maintain the Boxcars in good operating condition throughout the term of the lease of such Boxcars. Lessee shall immediately notify NRUC of any necessary maintenance and repairs transmitted to Lessee by any other railroad or shipper. NRUC shall be responsible for arranging repairs and maintenance at its expense except as noted in 5A.

D. Lessee will at all times while this Agreement is in effect and at its own expense, cause to be carried and maintained insurance with respect to all Boxcars subject hereto, and property damage and public liability insurance in amounts and against risks customarily insured against by railroad companies on similar equipment. The insurance required by this Section 5D may be satisfied by a self-insurance program acceptable to NRUC and maintained by Lessee in accordance with sound actuarial principles. Lessee will furnish NRUC concurrently with the execution hereof and thereafter at intervals of not more than 12 calendar months, with a detailed report signed by an independent insurance broker with respect to the insurance carried on the Boxcars together with the opinion of such brokers as to its compliance with the provisions of this Section 5D. Lessee will cause such firm to agree to advise NRUC promptly of any lapse of any such insurance or of any default of payment of any premium and of any other act or omission of Lessee of which it has knowledge which might, in its opinion, invalidate or render unenforceable, in whole or in part, any insurance on the Boxcars. All insurance shall be taken out in the name of Lessee and NRUC (or its assignee) as their interests may appear. The policies or certificates shall provide that there shall be no recourse against NRUC for the payment of premiums and shall provide for at least ten business days prior written notice to be given to NRUC by the underwriters in the event of cancellation. If the Lessee shall default in the payment of any premium in respect of any such insurance policies, NRUC may, but shall not be obliged to, pay such premium, and if NRUC does so, the Lessee shall repay the amount thereof to NRUC on demand.

E. NRUC agrees to reimburse Lessee for all taxes, assessments

and other governmental charges of whatsoever kind or character paid by Lessee relating to each Boxcar and on the use, delivery, or, operation thereof which may be accrued, levied, assessed or imposed during the lease term or which remain unpaid as of the date of delivery of such Boxcar to Lessee, except taxes on net income imposed on Lessee. NRUC and Lessee will comply with all state and local laws requiring the filing of ad valorem tax returns on the Boxcars. NRUC shall review all tax returns prior to filing.

6. Rental

A. In consideration of the use of the leased Boxcars to improve its freight revenues, Lessee agrees to pay the following rental charges to NRUC for the use of NRUC's Boxcars:

(i) NRUC shall receive all of the mileage charges and car hire revenues (including both straight and incentive per diem) payable to Lessee by other railroad companies.

B. In the event the utilization rate in any calendar quarter for all Boxcars is less than 85%, or the rental payable to NRUC for all Boxcars during any calendar quarter averages less than \$ * per car per day, NRUC may, at its option, and upon not less than 30 days prior written notice to Lessee, terminate this Agreement in its entirety or terminate this Agreement as to any group of Boxcars covered by a Schedule.

C. NRUC may, at its option, terminate this Agreement if the ICC shall, at any time, (1) issue an order reducing incentive per diem for Boxcars on an annual basis to three months or less without a commensurate increase in straight per diem or other revenues available to both NRUC and Lessee; or (2) determine that Lessee may not apply its net credit balance from incentive per diem settlements in payment of the rental charges set forth in this Section.

D. If any Boxcar remains on Lessee's railroad tracks for more than seven days, NRUC may, at its option and upon not less than 24 hours prior written notice, terminate this Agreement as to such Boxcar and withdraw such Boxcar from Lessee's railroad tracks, except when such Boxcar is awaiting its initial loading.

7. Possession and Use

A. So long as Lessee shall not be in default under this Agree-

*September-February, Eighteen dollars and fifty cents (\$18.50)
March-August, Ten dollars and sixty cents (\$10.60)

ment, Lessee shall be entitled to the possession, use and quiet enjoyment of the Boxcars in accordance with the terms of this Agreement and in the manner and to the extent Boxcars are customarily used in the railroad freight business. Lessee agrees that to the extent it has physical possession and can control use of the Boxcars, the Boxcars will at all times be used and operated under and in compliance with the laws of the jurisdiction in which the same may be located and in compliance with all lawful acts, rules and regulations and orders of any governmental bodies or officers having power to regulate or supervise the use of such property, except that either NRUC or Lessee may in good faith and by appropriate proceedings contest the application of any such rule, regulation, or order in any reasonable manner at the expense of the contesting party.

B. Lessee will not directly or indirectly create, incur, assume or suffer to exist, any mortgage, pledge, lien, charge, encumbrance, or other security interest or claim on or with respect to the Boxcars or any interest therein or in this Agreement or Schedule thereto. Lessee will promptly, at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrances, security interest, or claim if the same shall arise at any time.

8. Remedies Upon Default

A. The occurrence of any of the following events shall be events of default:

(i) The nonpayment by Lessee of any sum required hereunder to be paid by Lessee within ten days after notice thereof;

(ii) The default by Lessee under any other term, covenant, or condition of this Agreement which is not cured within ten days after notice thereof from NRUC.

(iii) Any affirmative act of insolvency by Lessee, or the filing by Lessee of any petition or action under any bankruptcy, reorganization, insolvency, or moratorium law, or any other law or laws for the relief of, or relating to, debtors.

(iv) The filing of any involuntary petition under any bankruptcy reorganization, insolvency or moratorium law against Lessee that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of Lessee, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of said filing or appointment.

(v) The subjection of any of Lessee's property to any levy,

seizure, assignment, application or sale for or by any creditor or governmental agency which substantially impairs Lessee's capacity to fulfill its performance under this Agreement.

B. Upon the occurrence of any event of default, NRUC may, at its option, terminate this Agreement and may:

(i) Proceed by appropriate court action to enforce performance by Lessee of this Agreement or to recover damages for a breach thereof (and Lessee agrees to bear NRUC costs and expenses, including reasonable attorney's fees, in securing such enforcements); or

(ii) By notice in writing to Lessee, terminate Lessee's right of possession of the Boxcars, whereupon all right and interest of Lessee in the Boxcars shall terminate; and thereupon NRUC may by its agents enter upon any premises where the Boxcars may be located and take possession of them and henceforth hold, possess and enjoy the same free from any right of Lessee. NRUC shall nevertheless have a right to recover from Lessee any and all rental amounts which, under the terms of this Agreement, may then be due or which may have accrued to that date.

9. Termination

A. At the expiration or termination of this Agreement as to any Boxcars set forth on a Schedule attached herein, Lessee will surrender possession of such Boxcars to NRUC by delivering the same to NRUC. The assembling, delivery, storage and transporting of the Boxcars shall be at the expense and risk of NRUC. A Boxcar shall be deemed terminated and no longer subject to this Agreement upon the removal of Lessee's railroad markings from the Boxcar and the placing thereon of such markings as may be designated by NRUC, either at the option of NRUC (1) upon delivery of such Boxcars to Lessee's railroad line subsequent to termination of such Boxcar's lease term; or (2) removal and replacement of the markings by another railroad line which has physical possession of the Boxcar at the time of or subsequent to termination of the lease term as to such Boxcar.

B. If such Boxcars are on the railroad line of Lessee upon such expiration or termination or are subsequently returned to Lessee's railroad line, Lessee shall at its own expense within five working days remove Lessee's railroad marking from the Boxcars and place thereon such markings as may be designated by NRUC. After the removal and replacement of markings, Lessee shall use its best efforts to load such Boxcars with freight and deliver them to a connecting carrier for shipment.

C. If such Boxcars are not on the railroad line of Lessee upon

termination, all costs of assembling, delivering, storing, and transporting such Boxcars, except as provided above, to Lessee's railroad line or the railroad line of a subsequent lessee shall be borne by NRUC.

D. If requested by NRUC, Lessee shall provide free uninterrupted storage on its tracks for Boxcars as to which this Agreement is terminated, provided that risk of loss during such storage shall be on NRUC.

E. From and after termination of this Agreement with respect to any Boxcar and until its return to NRUC, all revenues earned by such Boxcar shall be paid to NRUC as additional rental for use of the Boxcar during the term hereof.

10. Indemnities

NRUC will defend, indemnify and hold harmless Lessee from and against (1) any and all loss or damage of or to the Boxcars, usual wear and tear excepted, unless occurring through the fault of Lessee while Lessee has physical possession of Boxcars; and (2) any claim, cause of action, damage, liability, cost or expense (including legal fees and costs) to which the Boxcars may be subject or which may be incurred in any manner by or for the account of any such Boxcar (unless occurring through the fault of Lessee) relating to the Boxcars or any part thereof, including without limitation the construction, purchase, delivery of the Boxcars to Lessee's railroad line, ownership, leasing or return of the Boxcars, or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects, if any, are latent or are discoverable by NRUC or Lessee).

11. Warranties and Covenants

Lessee represents, warrants and covenants that:

A. Lessee is a corporation duly organized, validly existing and in good standing under the laws of the state where it is incorporated and has the corporate power, authority and is duly qualified and authorized to do business wherever necessary, to carry out its present business and operations and to own or hold under lease its properties and to perform its obligations under this Agreement.

B. The entering into and performance of this Agreement will not violate any judgment, order, law or regulation applicable to Lessee, or result in any breach of or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of Lessee or on the Boxcars pursuant to any instrument to which Lessee is a party or by which it or its assets may be bound.

C. There is no action or proceeding pending or threatened against Lessee before any Court or administrative agency or other governmental body which might result in any material adverse affect on the business properties and assets, or conditions, financial or otherwise, of Lessee.

D. There is no fact which the Lessee has not disclosed to NRUC in writing, nor is Lessee a party to any agreement or instrument or subject to any charter or other corporate restriction which, so far as the Lessee can now reasonably foresee, will individually or in the aggregate materially adversely affect the business, condition or any material portion of the properties of the Lessee or the ability of the Lessee to perform its obligations under this Agreement.

E. Lessee has during the years 1964-1968 not purchased any Boxcars.

F. Neither Lessee nor its counsel know of any requirements for recording, filing or depositing this Agreement other than pursuant to Section 20c of the Interstate Commerce Act, which is necessary to preserve or protect the title of NRUC, or its assignee or mortgagee, in the United States of America.

Upon request of NRUC or its assignee or mortgagee at any time or times, Lessee shall deliver to NRUC an opinion of its counsel addressed to NRUC or its assignee or mortgagee, in form and substance satisfactory to NRUC or its assignee or mortgagee, which opinion shall confirm and be to the effect of the matters set forth in this Paragraph 11 A through F.

12. Inspection

NRUC shall at any time during normal business hours have the right to enter the premises where the Boxcars may be located for the purpose of inspecting and examining the Boxcars to insure Lessee's compliance with its obligations hereunder. Lessee shall immediately notify NRUC of any accident connected with the malfunctioning or operation of the Boxcars including in such report the time, place, and nature of the accident and the damage caused to property, the names and addresses of any persons injured and of witnesses and other information pertinent to Lessee's investigation of the accident. Lessee shall also notify NRUC in writing within five (5) days after any attachment, tax lien, or other judicial process shall attach to any Boxcar. Lessee shall furnish to NRUC promptly upon its becoming requested, a copy of its annual report submitted to the ICC and, when requested, copies of any other income or balance sheet statements required to be submitted to the ICC.

13. Sublease and Assignment

The right to assign this Lease by either party and the Lessee's right to sublease shall exist only as follows:

A. Lessee shall have no right to assign this Lease or sublease or loan any of the Boxcars without the written consent of NRUC.

B. All rights of NRUC hereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part with or without notice to Lessee. This Lease and Lessee's rights hereunder are and shall be subject and subordinate to any chattel mortgage, security agreement or equipment trust covering the cars heretofore or hereafter created by NRUC. If NRUC shall have given written notice to Lessee stating the identity and post office address of any assignee entitled to receive future rentals and any other sums payable by Lessee hereunder, Lessee shall thereafter make such payments to the designated assignee.

The making of an assignment or sublease by Lessee or an assignment by NRUC shall not serve to relieve such party of any liability or undertaking hereunder nor to impose any liability or undertaking hereunder upon any such assignee or sublessee except as otherwise provided herein or unless expressly assumed in writing by such sublessee or assignee.

14. Miscellaneous

A. This Agreement and the Schedules contemplated hereby shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

B. Any notice required or permitted to be given by one party to another hereunder shall be properly given when made in writing deposited in the United States mail, registered or certified, postage prepaid, addressed to:

NRUC at: 860 Suburban Station
1617 John F. Kennedy Boulevard
Philadelphia, Pennsylvania 19103

Lessee at: OGDENSBURG BRIDGE AND PORT AUTHORITY
Bridge Plaza
Ogdensburg, NY 13669

or such other address as either party may from time to time designate by such notice in writing to the other.

C. Lessee shall keep the Boxcars free from any encumbrances or liens, which may be a cloud upon or otherwise affect the title of NRUC, which arise out of any suit involving Lessee, or any act, omission or failure of Lessee or Lessee's failure to comply with the provisions of this Lease and shall promptly discharge any such lien, encumbrance or legal process. Lessee shall take all action requested by NRUC to confirm the interest of NRUC in the Boxcars as Lessor and that Lessee has no interest in the Boxcars other than as Lessee hereunder.

D. During the continuance of this Lease, NRUC shall have the right, at its own cost and expense, to inspect the Boxcars at any reasonable time or times wherever the Boxcars may be.

E. No failure or delay by NRUC shall constitute a waiver or otherwise affect or impair any right, power or remedy available to NRUC nor shall any waiver or indulgence by NRUC or any partial or single exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy.


F. This Agreement shall be governed by and construed according to the laws of the State of South Carolina.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date above written.

NATIONAL RAILWAY UTILIZATION CORPORATION

BY: 

ATTEST:

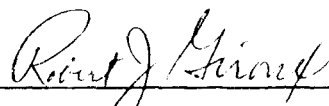

Asst. Sec.

OGDENSBURG BRIDGE AND PORT AUTHORITY RAILROAD

BY: 

~~President~~
Chairman

ATTEST:


Secretary
Rev. Msgr. Robert J. Giroux

STATE OF Indiana)
COUNTY OF Hamilton)

On this 8th day of November, 1976, before me personally appeared John A. Harrison to me personally known, who, being by me duly sworn, says that he is President of National Railway Utilization Corporation, and Charles F. Harrison, to me personally known to be the Secretary of said corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My Commission Expires: March 10-1980

STATE OF New York)
COUNTY OF St. Lawrence)

On this 3rd day of November, 1976, before me personally appeared John A. Harrison to me personally known, who, being by me duly sworn, says that he is Chairman President of Catskill Bridge and Partnership, and Charles F. Harrison, to me personally known to be the Secretary of said corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My Commission Expires: 3/30/77

#0976380

LEASE SCHEDULE NO. 1

Lease Schedule, dated this 17th day of August,
19 76, by and between NATIONAL RAILWAY UTILIZATION CORPORATION ("NRUC"),
and OGDENSBURG BRIDGE AND PORT AUTHORITY RAILROAD ("Lessee")

The Boxcars described herein are leased to Lessee subject to the terms
and conditions of that certain Lease of which this Schedule is a part
between NRUC and Lessee, dated August 17, 19 76.

DESCRIPTION OF CAR:

Fifty foot (50'), Seventy ton (70 ton) General Purpose Box car

NUMBER OF CARS:

Two Hundred (200)

REPORTING NUMBERS AND MARKS:

NSL 100,000 through NSL 100,099; NSL 100,500 through NSL 100,514;
NSL 100,100 through NSL 100,132; NSL 100,300 through NSL 100,351.

TERM Ten (10) years from the date of delivery and acceptance
of each Boxcar covered by this Schedule.

SPECIFICATIONS DESIGNATED BY LESSEE:

None

PLACE OF DELIVERY:

OGDENSBURG BRIDGE AND PORT
Lessee AUTHORITY RAILROAD

BY:

James P. MacLennan
Executive Director

NATIONAL RAILWAY UTILIZATION CORPORATION
Lessor

BY:

John A. Hawthorth
Executive Director

AGREEMENT AND ASSIGNMENT dated at of this 8th day of November, 1976, between National Railway Utilization Corporation (NRUC), and Pickens Railroad Company (Pickens).

W I T N E S S E T H:

WHEREAS, NRUC has heretofore entered that certain Lease Agreement with Ogdensburg Bridge and Port Authority, dated as of August 17, 1976; and

WHEREAS, the parties desire to provide for the Assignment of said Lease;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree as follows:

Pursuant to Section 13B of the Lease Agreement, NRUC does hereby assign unto Pickens all its right, title and interest in and to said Lease Agreement. Pickens does hereby assume and agree to perform all obligations and duties of NRUC under said Lease Agreement.

IN WITNESS WHEREOF, this Agreement and Assignment has been duly executed as of the date first above written.

NATIONAL RAILWAY UTILIZATION CORPORATION

(SEAL)

BY: John H. Reed, President
Assignor

PICKENS RAILROAD COMPANY

(SEAL)

BY: John H. Reed, Exec. Vice
Assignee

STATE OF SOUTH CAROLINA)

COUNTY OF GREENVILLE)

On this 8th day of November, 1976, before me personally appeared John H. Rees, to me personally known, who, being by me duly sworn, says that he is an authorized officer of National Railway Utilization Corporation; that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Elizabeth B. Wood
Notary Public

(Notarial Seal)

My Commission Expires: 5/6/81

STATE OF SOUTH CAROLINA)

COUNTY OF GREENVILLE)

On this 8th day of November, 1976, before me personally appeared John H. Rees, to me personally known, who, being by me duly sworn, says that he is an authorized officer of Pickens Railroad Company; that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Elizabeth B. Wood
Notary Public

(Notarial Seal)

My Commission Expires: 5/6/81

I, Elizabeth B. Wood, hereby certify that I am a duly qualified and acting Notary Public in and for the State of South Carolina, and that I have compared the enclosed copies of the Lease and Agreement and Assignment with the original documents and certify that they are true and correct copies in all respects.

Elizabeth B. Wood
Notary Public

(Notarial Seal)

My Commission Expires: 5/6/81